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INSURANCE DEPARTMENT PRESS RELEASE

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The New Hampshire Insurance Department announced that, on March 5, 2003, Commissioner Paula T. Rogers obtained an Order of Rehabilitation appointing her as Rehabilitator of The Home Insurance Company, a New Hampshire domestic company that has not written any new business since 1995 and that has been operating under an Insurance Department Order of Supervision since 1997.

Commissioner Rogers has stepped up the level of regulatory oversight in response to the impact on The Home of recent developments in the property and casualty insurance industry, including the recent adverse development in asbestos exposures for insurers that wrote commercial casualty insurance coverages in the 1970s and prior. As a consequence of these developments and because The Home is in runoff with no access to additional assets, the Directors of The Home have agreed with Commissioner Rogers to place The Home in rehabilitation on a voluntary basis. The Order of Rehabilitation gives the Commissioner direct oversight of The Home, including control over the company's remaining assets, claims payments, and reinsurance collections.

Risk Enterprise Management Limited ("REM"), which has managed The Home since it was placed into runoff in 1995 under the direction of the New Hampshire Insurance Department, will continue to provide services to The Home under the direction of the Rehabilitator. The Order of Rehabilitation supercedes the Insurance Department Order of Supervision that The Home has been operating under since 1997 and the Department's Consent Order of 1995.